

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.*
上海青浦消防器材股份有限公司
(a joint stock limited company incorporated in the People's Republic of China)
(Stock Code: 8115)

THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2024

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

This announcement, for which the directors (the “Directors”) of Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. (the “Company”, together with its subsidiaries, the “Group”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

* For identification purpose only

QUARTERLY RESULTS (UNAUDITED)

The Board of Directors (the “Board”) of Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. (the “Company” and together with its subsidiaries, collectively the “Group”) present the unaudited results of the Group for the nine months ended 30 September 2024 together with the unaudited comparative figures for the corresponding period in 2023, as follows:

	Notes	Unaudited Three months ended 30 September		Unaudited Nine months ended 30 September	
		2024 RMB'000	2023 RMB'000	2024 RMB'000	2023 RMB'000
Revenue	3	22,944	19,297	62,515	56,344
Cost of sales and services		(16,702)	(12,816)	(44,434)	(40,472)
Gross profit		6,242	6,481	18,081	15,872
Other income and gains	3	865	1,121	2,986	2,696
Selling and distribution expenses		(933)	(836)	(2,727)	(2,273)
Administrative expenses		(2,911)	(3,138)	(8,097)	(8,050)
Finance costs		(128)	(140)	(288)	(308)
Reversal of/(Provision for) expected credit loss (“ECL”)		305	1,182	(279)	(439)
Profit before tax	4	3,440	4,670	9,676	7,498
Income tax expense	5	(302)	(410)	(1,273)	(866)
Profit for the period and total other comprehensive income for the period		3,138	4,260	8,403	6,632
Attributable to:					
Owners of the Company		1,719	2,441	5,492	4,078
Non-controlling interests		1,419	1,819	2,911	2,554
		3,138	4,260	8,403	6,632
Earnings per share attributable to ordinary equity holders of the Company					
— Basic (RMB cents)	6	0.92	1.30	2.93	2.18
— Diluted (RMB cents)		0.92	1.30	2.93	2.18

Notes:

1. GENERAL

Shanghai Qingpu Fire-Fighting Equipment Factory was transformed into a joint stock limited liability company in the People's Republic of China (the "PRC") on 1 December 2000 and was renamed as Shanghai Qingpu Fire-Fighting Equipment Co., Ltd. ("上海青浦消防器材股份有限公司") (the "Company" together with its subsidiaries, the "Group"). The registered office of the Company is located at No. 1988, Jihe Road, Hua Xin Town, Qingpu District, Shanghai, the PRC and its principal place of business in Hong Kong is situated at Unit 2605, Island Place Tower, 510 King's Road, North Point, Hong Kong.

The Company's H shares are listed on the GEM of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

During the period, the Group was involved in the following principal activities:

- manufacture and sale of pressure vessels (including fire-fighting equipment products and pressure vessels products);
- manufacture and sale of aquarium products;
- sales of marine fire-fighting equipment and provision of related installation services;
- provision of fire technology inspection services and marine fire-fighting equipment inspection services;
- investment and lease of office building and industrial properties for rental income potential; and
- trading of other products.

In the opinion of the directors of the Company, the Company's immediate holding company is 聯城消防集團股份有限公司 (literally translated as "Liancheng Fire-Fighting Group Joint Stock Co., Ltd.", "Liancheng"), a limited liability company established in the PRC, and the ultimate holding company is 浙江恒泰房地產有限公司 (literally translated as "Zhejiang Hengtai Real Estate Company Limited", "Zhejiang Hengtai"), a limited liability company established in the PRC.

2. PRINCIPAL ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") (which include all International Financial Reporting Standards, International Accounting Standards ("IASs") and Interpretations) issued by the International Accounting Standards Board ("IASB") and the Rules Governing the Listing of Securities on the GEM (the "GEM Listing Rules") of the Stock Exchange. They have been prepared under the historical convention, except for investment properties and financial assets at fair value through profit or loss, which are measured at fair value.

The unaudited condensed consolidated financial statements for the nine months ended 30 September 2024 are unaudited, but have been reviewed by the audit committee of the Company.

The accounting policies adopted are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

The IASB has issued several amendments to IFRSs that are first effective for the current accounting period of the Group. None of these developments has had a material effect on how the Group's results for the current or prior periods have been prepared or presented in this announcement.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of the Group's revenue, other income and gains is as follows:

	Unaudited Three months ended 30 September		Unaudited Nine months ended 30 September	
	2024	2023	2024	2023
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue from contracts with customers:				
Sales of pressure vessels	4,812	5,753	19,547	19,144
Sales of aquarium products	12,584	7,292	26,452	20,159
Sales of marine fire-fighting equipment	2,666	2,610	7,385	8,004
Inspection service fees	1,113	1,831	3,824	3,603
	<u>21,175</u>	<u>17,486</u>	<u>57,208</u>	<u>50,910</u>
Revenue from other sources:				
Gross rental income	1,769	1,811	5,307	5,434
	<u>22,944</u>	<u>19,297</u>	<u>62,515</u>	<u>56,344</u>
Other income and gains				
Interest income	111	95	275	195
Realised gains on financial assets at fair value through profit or loss	579	821	2,185	2,024
Government grant	70	91	300	228
Exchange gain, net	79	–	195	–
Others	26	114	31	249
	<u>865</u>	<u>1,121</u>	<u>2,986</u>	<u>2,696</u>
Total revenue, other income and gains	<u>23,809</u>	<u>20,418</u>	<u>65,501</u>	<u>59,040</u>

4. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2024	2023	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Amortisation of intangible assets	45	45	135	135
Depreciation on property, plant and equipment	133	441	795	1,059
Depreciation on right-of-use assets	127	155	380	471
Interest on lease liabilities included in finance costs	12	17	40	57
Staff costs	2,376	1,857	6,818	5,571
Auditor's remuneration	69	260	237	260
(Reversal of)/Provision for ECL allowance on trade receivables	(305)	(1,182)	279	439
Realised gains on financial assets at fair value through profit or loss	(579)	(821)	(2,185)	(2,024)

5. INCOME TAX EXPENSE

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the nine months ended 30 September 2024 (nine months ended 30 September 2023: Nil).

According to the Announcement of the State Administration of Taxation on Issues Relating to Implementation of Inclusive Income Tax Relief Policy for Small Low-profit Enterprises, a lower corporate income tax (“CIT”) rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, (i) the first RMB1,000,000 of assessable profits (the “1st Assessable Profits”) are effectively taxable at 5% (i.e. 20% CIT rate on 25% of the 1st Assessable Profits) (nine months ended 30 September 2023: 5% (i.e. 20% CIT rate on 25% of the 1st Assessable Profits)); and (ii) the remaining assessable profits not over RMB3,000,000 (the “Remaining Assessable Profits”) are effectively taxable at 5% (i.e. 20% CIT rate on the 25% of the Remaining Assessable Profits) (nine months ended 30 September 2023: 5% (i.e. 20% CIT rate on 25% of the Remaining Assessable Profits)). Certain of the Company’s subsidiaries have been designated as small scale enterprises. The CIT for other companies in the Group is calculated at a rate of 25% (nine months ended 30 September 2023: 25%) on the estimated assessable profits for the nine months ended 30 September 2024.

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2024	2023	2024	2023
	RMB’000	RMB’000	RMB’000	RMB’000
Current tax — PRC				
Provision for the period	259	99	687	222
Deferred tax — PRC				
Provision for the period	43	311	586	644
	302	410	1,273	866

6. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of earnings per share for the three months ended 30 September 2024 is based on the profit attributable to ordinary equity holders of the Company of approximately RMB1,719,000 (three months ended 30 September 2023: approximately RMB2,441,000) and on 187,430,000 (three months ended 30 September 2023: 187,430,000) ordinary shares in issue during the period.

The calculation of the earnings per share for the nine months ended 30 September 2024 is based on the profit attributable to equity holders of the Company of approximately RMB5,492,000 (nine months ended 30 September 2023: approximately RMB4,078,000) and on 187,430,000 (nine months ended 30 September 2023: 187,430,000) ordinary shares in issue during the period.

No adjustment has been made to the basic earnings per share amounts for the three months and nine months ended 30 September 2024 and 2023 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those periods.

7. DIVIDEND

No dividend has been paid or declared by the Company during the nine months ended 30 September 2024 (nine months ended 30 September 2023: Nil).

8. EQUITY

	Attributable to owners of the Company								Total equity RMB'000
	Issued capital RMB'000	Share premium RMB'000	Capital reserve RMB'000	Statutory reserve fund RMB'000	Discretionary common reserve fund RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	
<i>Nine months ended 30 September 2024</i>									
As at 1 January 2024	18,743	10,910	45,143	11,014	1,500	57,902	145,212	17,812	163,024
Profit for the period and total comprehensive income for the period	-	-	-	-	-	5,492	5,492	2,911	8,403
Fair value of land use right granted by shareholder and non-controlling interests	-	-	745	-	-	-	745	635	1,380
As at 30 September 2024	<u>18,743</u>	<u>10,910</u>	<u>45,888</u>	<u>11,014</u>	<u>1,500</u>	<u>63,394</u>	<u>151,449</u>	<u>21,358</u>	<u>172,807</u>
<i>Nine months ended 30 September 2023</i>									
As at 1 January 2023	18,743	10,910	44,149	10,042	1,500	50,353	135,697	14,410	150,107
Profit for the period and total comprehensive income for the period	-	-	-	-	-	4,078	4,078	2,554	6,632
Fair value of land use right granted by shareholder and non-controlling interests	-	-	745	-	-	-	745	635	1,380
As at 30 September 2023	<u>18,743</u>	<u>10,910</u>	<u>44,894</u>	<u>10,042</u>	<u>1,500</u>	<u>54,431</u>	<u>140,520</u>	<u>17,599</u>	<u>158,119</u>

9. RELATED PARTY TRANSACTIONS

(a) Name and relationship with related parties

Name:

Relationship with the Group:

上海石化消防工程有限公司 (“上海石化”)
(Literally translated as “Shanghai Petro-Chemical
Fire-fighting Engineering Company Limited”
 (“Shanghai Petro”))

Controlled by a director of
Zhejiang Hengtai

上海清大東方職業技能培訓學校有限公司 (“上海清大”)
(Literally translated as “Shanghai Qingda Oriental
Vocational Skills Training School Co., Ltd.”
 (“Shanghai Qingda”))

Controlled by director of
Zhejiang Hengtai

(b) Transactions with related parties

The Group has the following related party transactions during the nine months ended 30 September 2024 and 2023:

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2024	2023	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Inspection service provided to Shanghai Petro	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
Training service charged by Shanghai Qingda	<u>5</u>	<u>-</u>	<u>5</u>	<u>-</u>

(c) Compensation of key management personnel of the Group

	Unaudited		Unaudited	
	Three months ended		Nine months ended	
	30 September		30 September	
	2024	2023	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Compensation of key management	<u>97</u>	<u>98</u>	<u>334</u>	<u>329</u>

BUSINESS AND FINANCIAL REVIEW

Revenue

For the nine months ended 30 September 2024 (the “Current Period”), the Group’s revenue amounted to approximately RMB62,515,000 (nine months ended 30 September 2023 (the “Corresponding Period”): approximately RMB56,344,000), representing an increase of approximately 10.9% over the Corresponding Period. The increase in revenue was mainly due to the increase in sales of aquarium products.

Cost of sales and services and gross profit

For the Current Period, the Group’s cost of sales and services amounted to approximately RMB44,434,000 (Corresponding Period: approximately RMB40,472,000). The increase was in line with the increase in revenue. The main components of cost of sales for the Group are cost of trading products, raw materials which mainly consist of steel and aluminum, and labour cost.

For the Current Period, the Group’s gross profit amounted to approximately RMB18,081,000 (Corresponding Period: approximately RMB15,872,000). The gross profit ratio was 29% for the Current Period (Corresponding Period: 28%), which was stable as compared to the Corresponding Period.

Other income and gains

For the Current Period, the Group’s other income and gains amounted to approximately RMB2,986,000 (Corresponding Period: approximately RMB2,696,000), representing an increase of approximately 10.8% over the Corresponding Period. The increase in other income and gains was mainly due to the increase in realised gains on financial assets at fair value through profit or loss.

Selling and distribution expenses

For the Current Period, the Group’s selling and distribution expenses amounted to approximately RMB2,727,000 (Corresponding Period: approximately RMB2,273,000), representing an increase of approximately 20% over the Corresponding Period. The increase in selling and distributing expenses was mainly due to the transportation cost and staff cost as a result of the increase in sale of aquarium products.

Administrative expenses

For the Current Period, the Group's administrative expenses amounted to approximately RMB8,097,000 (Corresponding Period: approximately RMB8,050,000), which was stable as compared to the Corresponding Period.

Finance costs

For the Current Period, the Group's finance costs amounted to approximately RMB288,000 (Corresponding Period: approximately RMB308,000). The finance costs mainly comprised of interest expenses of bank borrowings to partially finance the payment of consideration for the acquisition of production plant in prior year.

Income tax expense

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the nine months ended 30 September 2024 (nine months ended 30 September 2023: Nil).

According to the Announcement of the State Administration of Taxation on Issues Relating to Implementation of Inclusive Income Tax Relief Policy for Small Low-profit Enterprises, a lower corporate income tax ("CIT") rate is applicable to small scale enterprises with low profitability that meet certain conditions, pursuant to which, (i) the first RMB1,000,000 of assessable profits (the "1st Assessable Profits") are effectively taxable at 5% (i.e. 20% CIT rate on 25% of the 1st Assessable Profits) (nine months ended 30 September 2023: 5% (i.e. 20% CIT rate on 25% of the 1st Assessable Profits)); and (ii) the remaining assessable profits not over RMB3,000,000 (the "Remaining Assessable Profits") are effectively taxable at 5% (i.e. 20% CIT rate on the 25% of the Remaining Assessable Profits) (nine months ended 30 September 2023: 5% (i.e. 20% CIT rate on 25% of the Remaining Assessable Profits)). Certain of the Company's subsidiaries have been designated as small scale enterprises. The CIT for other companies in the Group is calculated at a rate of 25% (nine months ended 30 September 2023: 25%) on the estimated assessable profits for the nine months ended 30 September 2024.

Profit for the period

For the Current Period, the Group's profit for the period amounted to approximately RMB8,403,000 (Corresponding Period: approximately RMB6,632,000), representing an increase of 267% over the Corresponding Period. The increase in profit for the period was primarily attributable to the increase in revenue.

Non-controlling interests

For the Current Period, the Group's profit for the period attributable to non-controlling interests amounted to approximately RMB2,911,000 (Corresponding Period: approximately RMB2,554,000). The increase in profit attributable to non-controlling interests was mainly due to the increase in profits from aquarium business operated by certain non-wholly-owned subsidiaries for the nine months ended 30 September 2024 as compared with the Corresponding Period.

BUSINESS REVIEW

The Group's fire extinguisher products cover three categories, carbon dioxide, water-based, and dry powder. The wide product range offered by the Group can meet the diversified needs of the customers. In addition, the Group's manufacturing of fire extinguishers are granted the Certificates of Type Approval by the China Classification Society, Shanghai Branch. The Group's pressure cylinders have obtained the manufacture licence in the PRC and they meet the quality standards or requirements of the United States of America and the European Union.

The turnover for the nine months ended 30 September 2024 demonstrates a positive trend in the Group's performance. Despite a decrease in sales of marine fire-fighting equipment, the Group has successfully increased sales of pressure vessels, aquarium products, and inspection services compared to the same period in 2023. The Group is on track for a strong close to 2024, with sustained sales momentum positioning us for a highly successful year-end finish.

PROSPECT

The Company's directors believe that the prospects of the People's Republic of China ("PRC") economy could be promising in 2024 and 2025, despite the challenging economic conditions experienced in 2023. It is crucial to take into account the potential for recovery and growth that may arise. The Company is assessing opportunities to develop and acquire businesses with growth potential in the fire-fighting industry. This strategy aims to enhance profitability, bring synergistic effect and establish a significant presence in the manufacturing, selling, and provision of fire-fighting equipment and services in the fire-fighting industry in the PRC. The Company's directors also believe that recent policy initiatives from various departments of the State Council of the PRC which announced the importance of industrial and fire safety measures have shaped a more favorable environment for the Company to explore business opportunities which are aligned with its long-term strategic objectives.

DIRECTORS' AND SUPERVISORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2024, the interests and short positions of the Directors and supervisors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”)) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rule 5.46 of the Rules Governing the Listing of Securities on the GEM (the “GEM Listing Rules”), were as follows:

Long positions in shares of the Company

Name	Capacity	Number of shares	Approximate percentage of total issued share capital
Mr. Zhou Jin Hui (<i>Note 1</i>)	Held by controlled corporation	133,170,000	71.05%

Notes:

1. Liancheng holds 131,870,000 domestic shares of the Company. Liancheng Fire Protection Group (Hong Kong) Company Limited, a wholly-owned subsidiary of Liancheng, holds 1,300,000 H shares of the Company. Zhejiang Hengtai owns 80% of Liancheng and Mr. Zhou Jin Hui owns 58% of Zhejiang Hengtai. Accordingly, Mr. Zhou Jin Hui is deemed to be interested in 131,870,000 domestic shares and 1,300,000 H shares in the Company.

Liancheng is owned as to 80% by Zhejiang Hengtai and 20% by Mr. Zhou Jin Hui.

Save as disclosed above, as at 30 September 2024, none of the Directors and supervisors of the Company has any interests and short positions in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the minimum standards of dealing by directors as referred to in Rule 5.46 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 September 2024, the following person, other than the Director and supervisors of the Company, had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO:

Long positions in shares of the Company

Name of Shareholders	Capacity	Number of shares	Approximate percentage of total issued share capital
Liancheng Fire-Fighting Group Company Limited (Note 3)	Beneficial owner	131,870,000 (Note 1)	70.36%
	Held by controlled corporation	1,300,000 (Note 2)	0.69%
Zhejiang Hengtai Real Estate Joint Stock Co., Ltd.	Held by controlled corporation	131,870,000 (Note 1)	70.36%
	Held by controlled corporation	1,300,000 (Note 2)	0.69%
Mr. Zhou Jin Hui	Held by controlled corporation	131,870,000 (Note 1)	70.36%
	Held by controlled corporation	1,300,000 (Note 2)	0.69%

Notes:

- All represented domestic shares of the Company.
- Liancheng holds 131,870,000 domestic shares of the Company. Liancheng Fire Protection Group (Hong Kong) Company Limited, a wholly-owned subsidiary of Liancheng, holds 1,300,000 H shares of the Company. Zhejiang Hengtai owns 80% of Liancheng. Accordingly, Zhejiang Hengtai is deemed to be interested in 131,870,000 domestic shares and 1,300,000 H shares in the Company.

Liancheng is owned as to 80% by Zhejiang Hengtai and 20% by Mr. Zhou Jin Hui.

- On 12 January 2017, the board of directors of the Company was notified that, an aggregate of 131,870,000 domestic shares of the Company (the "Pledged Shares") held by Liancheng have been pledged in favour of an independent third party (the "Lender") as a security for a loan amount of RMB198,000,000 provided by the Lender to Liancheng (the "2017 Loan"). The Pledged Shares will be released if Liancheng makes a partial repayment amounting to RMB63,000,000 to the Lender. Relevant shares pledge registration procedures have been completed with China Securities Depository and Clearing Corporation Limited. As of 30 September 2024 and the date of this announcement, the Pledged Shares represent approximately 70.36% and 100% of the issued share capital and domestic shares of the Company, respectively.

Save as disclosed above, the Company has not been notified of any other person had relevant interests representing 5 percent or more in the issued shares capital of the Company as at 30 September 2024.

DIRECTORS' AND SUPERVISORS' INTERESTS IN CONTRACTS

To the best knowledge of the Board, save as disclosed in note 9 of this announcement, no contracts of significance in relation to the Company's business to which the Company was a party and in which any persons who were Directors or supervisors of the Company had a material interest, whether directly or indirectly, subsisted at 30 September 2024 or at any time during the nine months then ended.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the nine months ended 30 September 2024, the Company did not purchase, sell or redeem any of the Company's listed securities.

CORPORATE GOVERNANCE

(1) Corporate Governance Practices

The Company is committed to promoting good corporate governance, with the objectives of (i) the maintenance of responsible decision making, (ii) the improvement in transparency and disclosure of information to shareholders, (iii) the continuance of respect for the rights of shareholders and the recognition of the legitimate interests of the shareholders, and (iv) the improvement in management of risk and the enhancement of performance by the Company. Pursuant to Rule 18.44(2) and Appendix 15 of the GEM Listing Rules, the Company wish to state that it has complied with all code provisions set out in the Code on Corporate Governance Practices contained in the Appendix 15 of the GEM Listing Rules (the "Code") during the nine months ended 30 September 2024.

(2) Directors' Securities Transactions

The Company has adopted a code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of the Directors of the Company, all Directors have complied with the required standard of dealings and code of conduct regarding securities transactions by directors.

AUDIT COMMITTEE

The Company has established an audit committee (the “Audit Committee”) with written terms of reference in compliance with GEM Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls of the Group and to provide advice to the Directors of the Company.

The Audit Committee comprises three independent non-executive directors of the Company, namely Mr. Yang Chun Bao, Mr. Wang Guo Zhong and Mr. Song Zi Zhang.

The Audit Committee has reviewed the Group’s unaudited condensed consolidated financial statements for the nine months ended 30 September 2024 and has provided advice and comments thereon.

By order of the Board
Shanghai Qingpu Fire-Fighting Equipment Co., Ltd.
Zhou Jin Hui
Chairman

Shanghai, 13 November 2024

As at the date of this announcement, the executive Directors are Mr. Zhou Jin Hui (Chairman), Mr. Shi Hui Xing and Mr. Zhou Guo Ping; and the independent non-executive Directors are Mr. Wang Guo Zhong, Mr. Yang Chun Bao and Mr. Song Zi Zhang.

This announcement will be published on the GEM website on the “Latest Company Announcement” page at www.hkgem.com and on the website of the Company at www.shanghaiqingpu.com for at least 7 days from the date of publication.

This announcement, for which the Directors collectively and individually accept full responsibilities, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.